

Edmonton ends 2015 with additional job gains

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Edmonton ended 2015 on an up note with the region **gaining 1,700 new jobs** in December 2015. Solid gains in full-time employment were able to offset a modest reduction in part-time jobs. Employment levels were weakest in construction, professional services and hospitality sectors while manufacturing, energy and health care experienced very good net gains in employment during December 2015.

Overall, the **Edmonton Census Metropolitan Area (CMA)** added approximately 28,000 positions during 2015. That is just under 20% of all net new jobs generated in Canada overall last year. Annual employment growth in Edmonton in December was 3.7%, which is more than four times the national average of 0.9%. In the same period, Alberta's employment fell by 0.6%.

Even with December's very good job numbers, the Edmonton CMA's unemployment rate rose marginally from 6.1% to 6.2% between November 2015 and December 2015 as the region's labour force continued to expand. The comparable rate for Calgary in December was 7.0%.

Labour Force Survey Results – Edmonton Census Metropolitan Areaⁱ
Three-month moving average – seasonally adjusted

	Dec 2014	Nov 2015	Dec 2015	Nov 2015 to Dec 2015	Dec 2014 to Dec 2015	Nov 2015 to Dec 2015	Dec 2014 to Dec 2015
	(000)	(000)	(000)	(000)	(000)	%	%
Population (15 years and older)	1086.0	1109.9	1111.3	1.4	25.3	0.1	2.3
Labour force	785.6	824.4	827.2	2.8	41.6	0.3	5.3
Employment	747.8	774	775.7	1.7	27.9	0.2	3.7
Unemployment	37.8	50.4	51.6	1.2	13.8	2.4	36.5
Unemployment rate (%)	4.8	6.1	6.2	0.1	1.4
Participation rate (%)	72.3	74.3	74.4	0.1	2.1
Employment rate (%)	68.9	69.7	69.8	0.1	0.9

Source: Statistics Canada

In contrast to Edmonton, employment in **Alberta** fell for the third month in December 2015. The net loss for the province was just under 4,000 jobs. A sharp reduction in full-time employment overwhelmed an increase in part-time jobs. The primary sources of job losses in Alberta over the past 12 months were the energy, construction and manufacturing sectors. Alberta's

unemployment rate held at 7.0% between November and December 2015 as the number of individuals seeking employment in the province fell along with the number of jobs.

Employment levels were up at the national level, with significant gains in part-time employment counter balancing losses in full-time jobs for the month of December. Most of **Canada's** job gains were in finance, education and health care sectors. Even with increased employment, Canada's unemployment rate held at 7.1% in December as the number of individuals seeking employment in Canada was also up.

Significance

The continuing job losses in construction, professional services and logistics demonstrate that Edmonton's economy is not immune to the impact of lower oil prices. However, the region's diverse economy has so far been able to absorb this negative shock and continue to expand. Moving into the first half of 2016, employment growth will slow causing the unemployment rate to rise to toward the 6.5% range. If oil prices improve over the next 12 months, Edmonton's unemployment levels will stabilize in late 2016.

The continuing growth in the working-age population—up 2.3% from December 2014 to December 2015—highlights Edmonton's relatively good job prospects compared to the rest of Alberta and Canada. Growth in the number of job seekers has been an important factor in moderating wage increases by addressing labour and skill shortages that began to emerge in Edmonton prior to the downturn in energy prices. With Edmonton's unemployment rate now at 6.2% and good job gains in Ontario and British Columbia, net migration into the region has begun to slow down, especially when compared to the volumes seen over the past several years.

The remarkably strong year-over-year growth in the number of employed people as well as job seekers has stressed Edmonton and the region's transportation infrastructure and housing market. Although rental vacancy rates have moved up, housing costs are still well above year-ago levels. These increased costs are spilling over into the shelter component of the consumer price index, boosting Edmonton's overall inflation rate.

Limitations

Since employment trends—particularly in the full-time category—tend to lag behind developments in overall economic activity, they are a better indicator of past, rather than current, conditions in the economy. However, employment trends are useful predictors of future changes in incomes and consumer spending. Statistics Canada publishes a three-month moving average of all labour force values for the Edmonton region, an approach that sometimes results in the number of reported jobs lagging behind developments in the Edmonton region's economy.

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ⁱ Statistics Canada released revised data for the Labour Force Survey in January 2015. As a result, historical data reported in this table may vary from that presented in earlier versions of this report.